



OFFICE OF THE COMMISSIONER OF INSURANCE  
STATE OF LOUISIANA

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**May 16, 2002**

**DIRECTIVE NUMBER 02 – 169**

**Notification of Changes Affecting Approval of Forms**

**TO: ALL INSURERS**

**PURPOSE**

It has been brought to my attention that clarification is needed regarding the approval or disapproval of forms pursuant to Louisiana Revised Statutes (LA-R.S.) Title 22, Section 620, which contains conflicting provisions relative to the period allowed for approval or disapproval of various form filings. The following Directive is an Order, pursuant to the authority granted by the statute, exempting all form filings governed by the statute from the conflicting provisions relative to the period allowed for approval or disapproval. The exemption shall be effective as of the date of final promulgation of companion Regulation 78 setting forth new provisions and procedures relative to the period allowed for approval or disapproval of form filings. This Directive is not meant to limit the scope of the Department's regulatory authority over any insurance activity, including approval or disapproval of form filings, related to this notification that may not be addressed in this Directive.

**STATUTE**

LA-R.S. 22:620 provides:

A. (1) No basic insurance policy form, other than surety bond forms, or application form where written application is required and is to be attached to the policy, or be a part of the contract or printed life or health and accident rider or endorsement form shall be issued, delivered, or used unless it has been filed with and approved by the commissioner of insurance.

(2) For purposes of this Section, a basic insurance policy form shall include a certificate of coverage, any other evidence of coverage, or a subscriber agreement.

(3) This Section shall not apply to policies, riders, or endorsements designed to delineate the coverage for and used with relation to insurance upon a particular subject or which relate to the manner of distribution of benefits or to the reservation of rights and benefits under such policy, and which is used at the request of the individual policyholder, contract holder, or certificate holder.

(4) Any insurer may insert in its policies any provisions or conditions required by its plan of insurance or method of operation which are not prohibited by the provisions of this Code.

B. Every such filing shall be made not less than forty-five days in advance of any such issuance, delivery, or use. At the expiration of forty-five days the form so filed shall be deemed approved unless prior thereto it has been affirmatively approved or disapproved by order of the commissioner of insurance. The commissioner of insurance may extend by not more than an additional fifteen days the period within which he may so affirmatively approve or disapprove any such form, by giving notice of such extension before expiration of the initial thirty-day period. At the expiration of any such period as so extended, and in the absence of such prior affirmative approval or disapproval, any such form shall be deemed approved. The commissioner of insurance may withdraw any such approval at any time for cause. Approval of any such form by the commissioner of insurance shall constitute a waiver of any unexpired portion of such initial fifteen-day waiting period.

C. The commissioner of insurance's order disapproving any such form or withdrawing a previous approval shall state the grounds therefor.

D. No such form shall knowingly be issued or delivered as to which the commissioner of insurance's approval does not then exist.

E. The commissioner of insurance, may, by order, exempt from the requirements of this Section for so long as he deems proper, any insurance document or form or type thereof as specified in such order, to which in his opinion this Section may not practicably be applied, or the filing and approval of which are, in his opinion, not desirable or necessary for the protection of the public.

F. Insurers negotiating with and insuring special commercial entities shall be exempt from the form filing and approval requirements of this Section. The commissioner shall adopt rules and regulations necessary for the implementation of this Subsection including a provision defining special commercial entities which qualify for exemption. The definition of exempt commercial policyholder shall be reviewed periodically by the commissioner. This Subsection shall apply only to commercial property and casualty insurance. The regulations required by this Subsection shall be adopted no later than April 1, 2000.

**ORDER** (Pursuant to grant of authority – LA-R.S. 22:620 E.)

The Department of Insurance has determined that the conflicting provisions of LA-R.S. 22:620 B. relative to the period(s) allowed for approval or disapproval of various form filings may not practicably be applied as written.

Subsection B. was amended in 1960 by Act 176 to fix all time periods described therein at fifteen days. Act 55 of 1993 again amended Subsection B., changing two references to the period allowed for approval or disapproval from fifteen days to forty-five days and changing one reference to the period allowed for approval or disapproval from fifteen days to thirty days, while retaining another reference to "such initial fifteen-day waiting period". The conflicting provisions of Subsection B. cannot practicably be reconciled.

Furthermore, the general provisions of LA-R.S. 22:620 B. conflict with the specific provisions found in LA-R.S. 22:211 relative to health and accident insurance form filings.

Pursuant to the authority granted by LA-R.S. 22:620 E., all insurance documents or forms or types thereof, otherwise required by LA-R.S. 22:620 to be filed with and approved by the commissioner of insurance, are hereby exempted from the requirements of LA-R.S. 22:620 B., on the grounds that such requirements may not practicably be applied.

In lieu thereof, and in order to fulfill the intent of the Louisiana Legislature that certain documents, forms and types thereof be filed for approval or disapproval by the commissioner of insurance, Regulation 78 shall be promulgated for the purpose of setting forth practicable provisions for such filing. Said regulation shall be consistent with LA-R.S. 22:211 as to health and accident insurance form filings.

Please be governed accordingly.

BY:



J. ROBERT WOOLEY  
ACTING COMMISSIONER OF INSURANCE